
PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE IN THE CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.38 PER RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY (THE “SHAREHOLDERS”) AS AT A BOOKS CLOSURE DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “PROPOSED RIGHTS ISSUE”)

Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the announcements released by the Company on 19 November 2012, 20 November 2012 and 18 December 2012 (the “Announcements”).

1 APPROVAL IN-PRINCIPLE

- 1.1 The Directors are pleased to announce that the Company has on 7 February 2013, received in-principle approval of the SGX-ST for the listing and quotation of the Rights Shares on the Main Board of the SGX-ST (the “**Approval In-Principle**”).
- 1.2 The Approval In-Principle is subject to the following conditions:
- (a) Compliance with the SGX-ST’s listing requirements;
 - (b) Shareholders’ approval for the Proposed Acquisition which is to be funded by the Proposed Rights Issue;
 - (c) Submission to the SGX-ST of:
 - (i) A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Proposed Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report; and

- (ii) A written undertaking from the Company that it will comply with the confirmation given in Listing Rule 877(10) with regard to the allotment of any excess Rights Shares.

1.3 The Approval In-Principle granted by the SGX-ST is not to be taken as an indication of the merits of the Proposed Rights Issue, Rights Shares, the Company and/or its subsidiaries.

2 IRREVOCABLE UNDERTAKING

2.1 The Directors refer to the Irrevocable Undertaking in favour of the Company given by Mr. Serge Pun, the Executive Chairman and Controlling Shareholder of the Company, in connection with the Proposed Rights Issue.

2.2 The Directors wish to update Shareholders that Mr. Serge Pun has provided a revised irrevocable undertaking to the Company (replacing and superseding the Irrevocable Undertaking) that, *inter alia*,

- (a) he will subscribe and pay for and/or procure subscriptions and payments in full for his Pro Rata Entitlements; and
- (b) he will make and/or procure to be made excess application(s) and payment(s) for such number of the Rights Shares which are not subscribed or applied for by Shareholders other than himself, which together with the Pro Rata Entitlements will amount to S\$84.52 million, being the consideration for the Proposed Acquisition less the maximum amount of outstanding outgoings which may be withheld by the Company pursuant to the terms of the Proposed Acquisition. The amount of outstanding outgoings as at the date of the sale and purchase agreement of the Proposed Acquisition is US\$12.00 million (which is equivalent to approximately S\$14.64 million at the exchange rate of US\$1 to S\$1.22).

2.3 Other than a change in the maximum amount committed by Mr. Serge Pun to the Proposed Rights Issue from **S\$99.16** million to **S\$84.52** million, all other terms and conditions of the Irrevocable Undertaking remain unchanged.

3 PROPOSED WHITEWASH RESOLUTION

- 3.1 The Directors wish to update Shareholders that the Company has obtained a conditional whitewash waiver from the Securities Industry Council exempting Mr. Serge Pun from the obligation to make a mandatory general offer for the Company which may arise as a result of fulfilling his commitments pursuant to his Irrevocable Undertaking (the “**Whitewash Waiver**”). The Whitewash Waiver is subject to, among others, approval of a whitewash resolution by Shareholders (other than Mr. Serge Pun and his concert parties) at a general meeting to waive their rights to receive a mandatory general offer from Mr. Serge Pun and his concert parties (the “**Proposed Whitewash Resolution**”).

Shareholders are reminded that the Proposed Rights Issue is conditional upon the approvals of the Proposed Acquisition and the Proposed Whitewash Resolution being obtained at an extraordinary general meeting to be convened. The Company intends to proceed with the Proposed Rights Issue upon completion of the Proposed Acquisition.

An announcement containing the Notice of EGM will be announced separately.

ON BEHALF OF THE BOARD

Andrew Rickards
Chief Executive Officer
7 February 2013